Report of the Executive Director KALAELOA

April 3, 2019

Planning and Development Activities

The following updates were reported at the March 14, 2019 Kalaeloa Community Network meeting:

United States Coast Guard

The United States Coast Guard Air Station Barbers Point (USCG) reported that their draft Environmental Assessment (EA) for an electrical project has been distributed and that response comments are being reviewed. HCDA staff has reviewed the draft EA and noted that the proposed electrical renovations are consistent with the Kalaeloa Master Plan. The USCG expects to begin the project's Request for Proposal process by the end of March 2019 and hopes to complete construction by the end of year 2020.

Hawaii National Guard

The Hawaii Army National Guard is currently constructing Phase 2 of their headquarters expansion project in Kalaeloa. Phase 2 also includes construction of interim infrastructure.

Hunt Communities Hawaii

Hunt Communities Hawaii (Hunt) expects that the subdivision process for their northwest Kalaeloa land holdings, located near Costco Kapolei, will be completed by the end of the summer 2019. Hunt is continuing their partnership with Poi Dogs and Popoki to reduce the feral cat population in the district through their trap-neuter-and return program.

Kalaeloa Water Company

On March 20, 2019, the Hawaii Water Service announced its intention to acquire the Kalaeloa Water Company. The transfer is subject to review by the Public Utilities Commission and will not likely be approved before year 2020. Customers should not see any changes in operations for the water or waste water services during the approval process period. Hawaii Water Service is a subsidiary of California Water Service Group a publicly traded water utility in the United States. The acquisition will be included in a company press release and disclosed in the company's upcoming filings with the Security Exchange Commission (SEC).

Engineering

Kalaeloa Energy Corridor - Phase 1 & Phase 2

Phase 1 – The contractor has completed all construction work and is in the process of demobilizing.

Phase 2 – The contractor is awaiting approval from Hawaiian Electric Company (HECO) for their submittals. Based upon previous projects, the contractor hopes to begin in 1-1/2 to 2 months. Phase 2 is expected to take 8 months to complete. It will begin where Phase 1 ended, on Enterprise and Langley, then continue along Enterprise to Midway, fronting the Kalaeloa Airport.

Asset Management

During the months of February and March 2019, the HCDA approved the Aloha Solar Energy Fund II's (ASEF) following requests: 1) HCDA's landowner authorization regarding HECO's intent to submit plans for underground wire easements to the Honolulu Department of Planning and Permitting; 2) an extension on the perimeter fence construction completion date; and 3) the posting of a performance bond in place of a reserve account to ensure decommissioning security. The ASEF anticipates that they will begin mobilization for the solar project in April 2019.